

SCHEDULE P

Form 740
42A740-P

Department of Revenue

KENTUCKY
PENSION INCOME EXCLUSION

➤ **Attach to Form 740, 740-NP or 741.**

Use this form to calculate excludable retirement income.

2005

Enter name(s) as shown on tax return.

Your Social Security Number
SCHP 0003

Complete this schedule and file with Form 740 if:

1. your taxable pension and retirement income from all sources is **greater than \$41,110**; and
- (a) you are retired from the federal government, the Commonwealth of Kentucky or a Kentucky local government; or

(b) you receive supplemental U.S. Railroad Retirement Board benefits.
2. you file Form 4972-K, Tax on Lump-Sum Distributions.

All others, STOP, you do not need to complete Schedule P. See instructions for Schedule M, line 9.

PART I—EXEMPT RETIREMENT INCOME

1. Enter on line (a) or (b) the amount of federal, Kentucky state and Kentucky local government pension and retirement income attributable to service credit earned before January 1, 1998, and supplemental U.S. Railroad Retirement Board benefits included on federal Form 1040, line 16(b) (Form 1040A, line 12(b)). Also include federal or Kentucky disability retirement income attributable to service credit earned before January 1, 1998.

(a) If date of retirement is **before January 1, 1998**, enter here.

Names of Payers	Dates of Retirement	Spouse		Yourself	
		A.		B.	
SCHP 0050	SCHP 0055	SCHP 0060		SCHP 0065	
SCHP 0070	SCHP 0075	SCHP 0080		SCHP 0085	
SCHP 0090	SCHP 0095	SCHP 0100		SCHP 0105	
Total ➤		SCHP 0110		SCHP 0115	

(b) If date of retirement is **after December 31, 1997**, complete the worksheet on the reverse of this form and enter here.

Names of Payers	Dates of Retirement	Taxable Pension	Exempt Percentage	Spouse		Yourself	
				A.		B.	
SCHP 0120	SCHP 0125	SCHP 0130	SCHP 0135	SCHP 0140		SCHP 0145	
SCHP 0150	SCHP 0155	SCHP 0160	SCHP 0165	SCHP 0170		SCHP 0175	
SCHP 0180	SCHP 0185	SCHP 0190	SCHP 0195	SCHP 0200		SCHP 0205	
SCHP 0210	SCHP 0215	SCHP 0220	SCHP 0225	SCHP 0230		SCHP 0235	
Total ➤				SCHP 0240		SCHP 0245	

(c) Add lines 1(a) and 1(b)..... (c) **SCHP 0250** **SCHP 0255**

PART II—OTHER RETIREMENT INCOME (Not Included in Line 1(c))

2. Enter the total of taxable retirement income not included in line 1(c) above as reported on federal Form 1040, line 15(b) or 16(b) (Form 1040A, line 11(b) or 12(b)). Also report other disability retirement income or deferred compensation included on federal Form 1040, line 7 (Form 1040A, line 7)..... 2	SCHP 0260	SCHP 0265
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PART III—TOTAL TO BE EXCLUDED THIS YEAR

3. Enter the lesser of line 2 or \$41,110 3	SCHP 0270	SCHP 0275
4. Add lines 1(c) and 3. Enter here and on Schedule M, line 9 (Form 740-NP, page 3, line 10(b) or Form 741, line 11)..... 4 <i>Joint filers—Combine lines 4(a) and 4(b) and enter on appropriate form.</i>	SCHP 0280	SCHP 0285

Stop here unless you have a lump-sum distribution reported on Form 4972-K.